



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Fillmore Field Office

95 East 500 North

Fillmore, UT 84631

<http://www.blm.gov/ut/st/en/fo/fillmore.html>



IN REPLY REFER TO:  
3809 (UTW02000)  
UTU-88724

December 31, 2014

Fed Ex International # 8002 6086 0581  
RETURN RECEIPT REQUESTED

DIV. OF OIL, GAS & MINING

JAN 26 2015

### DECISION

RECEIVED

Ms. Deborah Goldbloom	:	
Inland Exploration U.S., Ltd.	:	43 CFR 3809 - Surface Management Notice
1040 West Georgia Street, Suite 550	:	UTU-88724
Vancouver, British Columbia V6E 4H1	:	
Canada	:	

### Determination of Required Financial Guarantee Amount

Your Notice in the Keg Mountain area, in Juab County, Utah was inspected by the Bureau of Land Management (BLM) on November 20, 2014. The inspection was conducted in response to a request for a partial bond release for the Notice. The proposed project area is located in northern Juab County in Township 11 South, Range 09 West, in aliquot parts of section 25 and 31; Salt Lake Meridian (SLM). The project is located on both Federal and State of Utah lands, but surface disturbances created to date are almost entirely on BLM-managed land.

The Notice was previously assigned BLM case file number UTU-88724. Please refer to this number for any future communication concerning the Notice. The corresponding Utah Division of Oil, Gas, and Mining (UDOGM) file number is E/023/106.

The inspection by the BLM found satisfactory earthwork in your project area. Both drill pads, with respective surface disturbance areas of 0.133 and 0.105 acres, are acceptably recontoured, and full bond release for these areas will be possible when the surfaces have self-sustaining mature communities of desirable plant species. The re-vegetation process typically requires about three years in the arid conditions of the Great Basin.

The two-track access route to the top of the feature known as "Lead Hill" does not require reclamation because it is a pre-existing route with a purpose other than minerals exploration. There are two road segments to the drill pads, however, which will require revegetation because



they lead only to the drill pads and have no other destinations or purposes. These road segments have been heavily used and compacted in support of your exploration activities and will require seeding and revegetation.

The spur road to Drill Site 1 is 120 meters (394 feet) in length, and revegetation of the heavily used and compacted surface will be greatly facilitated if the surface is scarified and reseeded. The spur road to Drill Site 2, immediately south of "Lead Hill", is similarly heavily used and compacted. That road segment of 96 meters (315 feet), which leads only to the mineral exploration drill pad, will also revegetate much more quickly if it is scarified and reseeded. A portion of the reclamation bond should be retained until these surfaces are re-vegetated, along with the drill pad surfaces.

Parts of your proposed future surface disturbances are located on lands managed by the Utah School Institutional Trust Lands Administration (SITLA), as noted in the BLM Notice acceptance letter of October 6, 2011. Please contact UDOGM to confirm the appropriate amount and potential release of your financial guarantee obligation for proposed future activities on all lands, both Federal and State.

Amount of Financial Guarantee – As specified by the Code of Federal Regulations (CFR) in 43 CFR §3809.591(b), BLM may release up to 60% of a financial guarantee after earthwork is determined to be satisfactory and other specific requirements have been met. Also, as described in 43 CFR §3809.3, if State laws or regulations conflict with BLM regulations regarding operations on public lands, then the BLM and operators must follow Federal regulations. There is no conflict, however, if State regulations require a higher protection standard for public lands.

This office has determined that since earthwork is satisfactory for your project, the financial guarantee of \$12,969.00 that was submitted to the UDOGM for the BLM portion of their Exploration permit E/027/106 may be reduced to \$5,188.00 with the approval of the BLM. The amount of the reclamation cost estimate was based on operator compliance with all applicable operating and reclamation requirements from both the UDOGM and the BLM.

BLM's decision concerning the amount of the required financial guarantee, the determination that your Notice filing is complete, and the determination that your operations, as proposed, will not cause unnecessary or undue degradation does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State, and local laws and regulations and to obtain all applicable Federal, State, and local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee – Your financial guarantee obligation in the amount of \$12,969.00 will be reduced to \$5,188.00, or 40% of \$12,969.00, by the BLM. Please contact UDOGM for release and refund of \$7,781.00, or 60% of \$12,969.00, from the entire requirement for the project. You must receive written notification from both the BLM Utah State Office and the UDOGM acknowledging your bond release and reducing your financial guarantee.

This decision does not constitute certification of ownership to any entity named in the Notice, recognition of the validity of any associated mining claims, or recognition of the economic



feasibility of the proposed operations.

Term of Notice – Your BLM Notice case file will expire on October 6, 2015. As described in 43 CFR §3809.333, if you wish to pursue exploration in this area after that date, then you must submit a written request for an extension to the Fillmore Field Office of the BLM prior to the expiration date. A BLM Notice may be extended incrementally for periods of two years. After expiration of a BLM Notice, the only allowed activity is reclamation. You must also consult with the UDOGM about the State permitting and reclamation requirements.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree with the impending closure and are adversely affected by this decision, in accordance with 43 CFR §3809.804, you may request that the BLM Utah State Director review this decision. If you request a State Director review, the request must be received in the BLM Utah State Office, 440 West 200 South, Suite 500, Salt Lake City, Utah 84101, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR §3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a Stay is granted by the State Director. Standards for obtaining a Stay are given below. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision concerning your request for review of this decision within 21 days of BLM's receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Utah State Office to determine when BLM receives the request for State Director Review. You have 30 days from the end of the 21 day period in which to file your notice of appeal with the IBLA (see procedures below). If you wish to bypass a State Director review, this decision may be appealed directly to the IBLA in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in the Fillmore Field Office (FFO) at 95 East 500 North, Fillmore, Utah 84631 within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 for a Stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a Stay must accompany your notice of appeal. A petition for a Stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a Stay must also be submitted to each party named in the decision, to the IBLA, and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

#### Standards for Obtaining a Stay

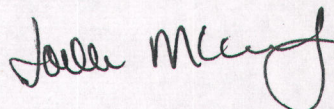
Except as otherwise provided by law or other pertinent regulation, a petition for a Stay of a decision pending appeal shall show sufficient justification based on the following standards:



- The relative harm to the parties if the stay is granted or denied
- The likelihood of the appellant's success on the merits
- The likelihood of immediate and irreparable harm if the Stay is not granted
- Whether the public interest favors granting the Stay

If you have any questions, please contact Duane Bays, Fillmore Field Office (FFO) Geologist, at (435) 743-3115.

Sincerely,



Acting  
For Michael D. Gates  
Field Manager

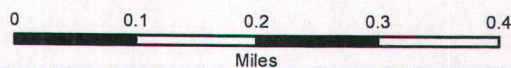
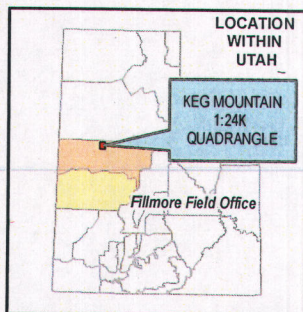
Enclosures:  
Form 1842-1  
Immediate Area Map  
Photos

cc:  
Paul Baker  
UDOGM  
1594 W North Temple, Suite 1210  
Salt Lake City, UT 84114

Opie Abeyta (UT-923)  
Utah State Office/ BLM  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101












### Immediate Area



BLM makes no guarantee or warranty concerning the accuracy of information contained in these geographic data. BLM further makes no warranties, either expressed or implied as to any other matter whatsoever, including, without limitation, the condition of the product, or its fitness for any particular purpose. The burden for determining fitness for use lies entirely with the user. Although these data have been processed successfully on computers of BLM, no warranty, expressed or implied, is made by BLM regarding the use of these data on any other system, nor does the fact of distribution constitute or imply any such warranty.

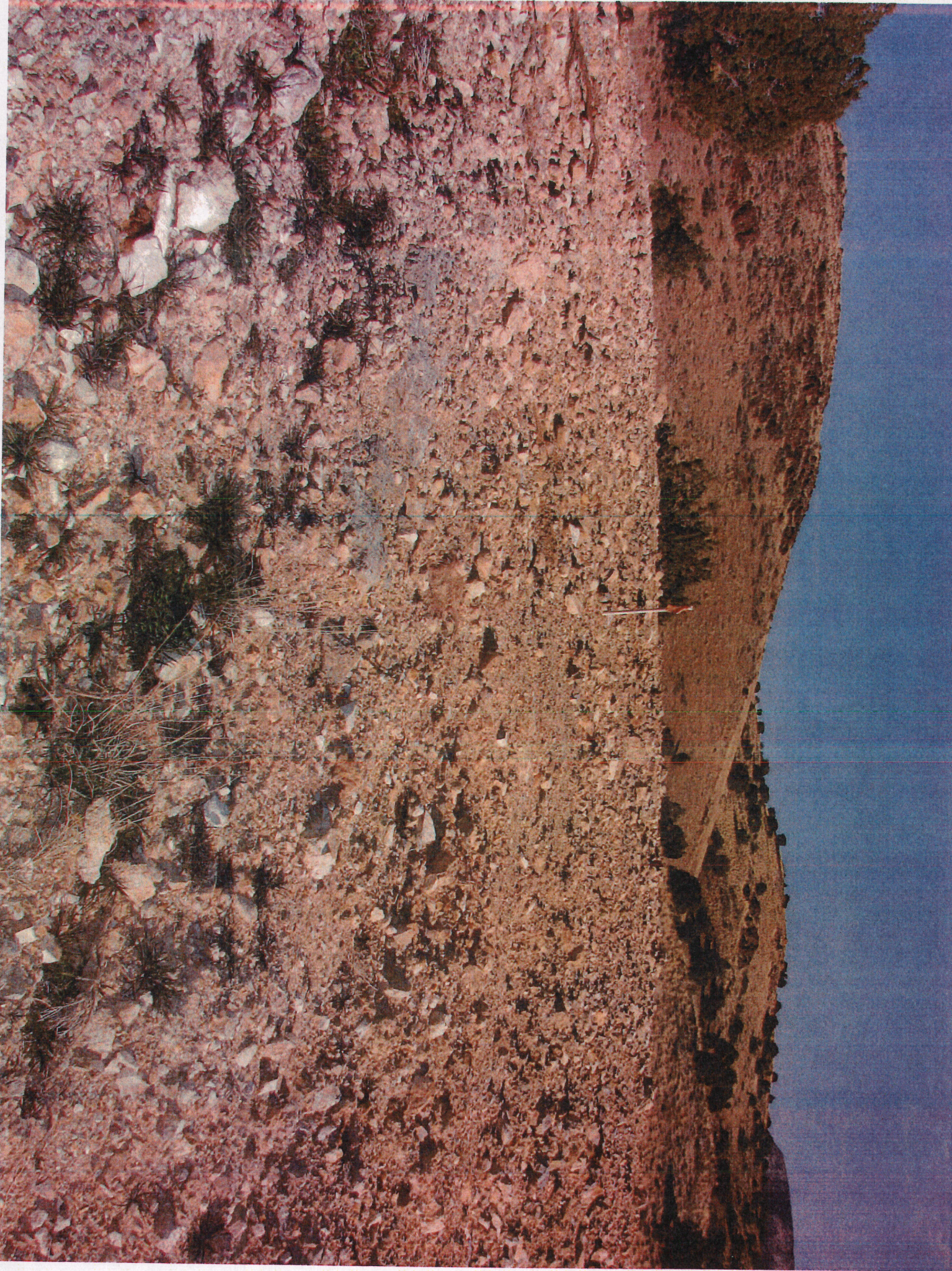


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- Land Status**
-  Bureau of Land Management (BLM)  
 Other Federal  
 Private  
 State



UNIT STATE - UNIVERSITY LABORATORY

11/15/1914







1. Erosion on a normal loess bank (see photo 8) - requires revegetation (photo 8)

11/10/1974



(Koon To Drill Site)

Photo 5, bit reverse direction

11/20/2014

